

Calian Group (Q4 2025 Earnings)

November 26, 2025

Corporate Speakers:

- Jennifer McCaughey; Calian Group; Director of Investor Relations
- Kevin Ford; Calian Group; Chief Executive Officer
- Patrick Houston; Calian Group; Chief Financial and Development Officer

Participants:

- Doug Taylor; Canaccord; Analyst
- Stephanie Price; CIBC; Analyst
- Paul Treiber; RBC Capital Markets; Analyst
- Benoit Poirier; Desjardins; Analyst

PRESENTATION

Operator^ Good day. And thank you for standing by. Welcome to Calian Group Fourth Quarter 2025 Earnings Conference Call. (Operator Instructions)

Please note that today's conference is being recorded.

I will now hand the conference over to your speaker host Jennifer McCaughey, Director of Investor Relations.

Please go ahead.

Jennifer McCaughey^ Thank you, Olivia. And good morning, everyone. Thank you for joining us for Calian's Q4 and year end 2025 conference call.

Presenting this morning are Kevin Ford, Chief Executive Officer; and Patrick Houston, Chief Financial Officer. They will present our Q4 and year end results as well as provide an update on defense and our future outlook.

As noted on Slide 2, please be advised that certain information discussed today is forward-looking and subject to important risks and uncertainties.

The results predicted in these statements may be materially different from actual results.

As a reminder, all amounts are expressed in Canadian dollars except as otherwise specified.

With that, let me turn the call over to Kevin.

Kevin Ford^ Thank you, Jennifer. And good morning, everyone.

I'm pleased to report that we closed the year on a high note.

We delivered record results, the highest revenue quarter in our 43-year history and the second highest adjusted EBITDA and a return to positive organic growth. Following a period of slower momentum, we've turned the corner with renewed momentum.

Our team's dedication and resilience have fueled a solid recovery with both revenues and adjusted EBITDA showing year-over-year growth.

Our Defense Solutions continues to lead the way with double-digit growth, reflecting riser sector investments and our ability to convert demand into results.

We finished this year with \$122 million in signings, and this translated to over \$1 billion in net signings this year, an increase of 48% over the previous year.

Shortly after year-end, we supported our signed with a large ground system project with a leading global space company. This project will deliver four Q/V-band antennas and is a sign of our leadership in the space ground segment.

Now I'd like to take a moment to highlight the significant progress we have made in advancing our defense focused strategy over the past year. This area has been a key driver of our growth in innovation, and I'm excited to share the milestones and achievements that are shaping our future in this sector.

Our Defense Solutions now represents 50% of consolidated revenues. These revenues grew 17% year-over-year as demand accelerates across Canada, the U.K. and Europe. Growth is broad based, spanning mission-critical health care, manufacturing and engineering, cyber and military training.

Over the past year, our team has demonstrated agility in a rapidly shifting defense environment.

In Q3 fiscal '24 and into fiscal '25, we successfully navigated \$1 billion in Canadian defense cuts, while expanding our European footprint from less than \$10 million in revenues in fiscal '23 to over \$65 million in fiscal '25. This adaptability not only offset domestic budget pressures, it strengthened our global presence and set the stage for sustained growth in key markets.

In fiscal '25, we laid a strong foundation for long-term growth in defense through strategic acquisitions, operational realignment, new contracts, partnerships and key hires. To expand our Northern capabilities, we acquired AMS, strengthening our health care portfolio and positioning us for future federal investment in the Canadian North. This, along with our relationships with provincial and territorial governments, sets us up to pursue new contracts as Northern programs developed.

Shortly after the end, we acquired InField Scientific, enhancing our defense offerings and opening new market opportunities.

We also refocused our operations to align with growth opportunities including launching U.S.-focused subsidiary to target federal defense contracts.

In parallel, we integrated our defense and space capabilities, forming a unified segment that combines advanced technologies with immersive training, allowing us to deliver comprehensive solutions that stand out in the market.

Our defense strategy has already yielded significant contract wins including agreements with NATO and Allied countries and a \$250 million expansion to our health services contract with Canadian Armed Forces.

At year-end, our backlog reached \$1.4 billion, with \$1 billion in the defense sector.

To support growth and innovation, we forged new partnerships.

We've launched Calian VENTURES to help Canadian SMEs scale defense solutions and signed our first partnership with TACTIQL to co-develop ISR software for the Canadian Armed Forces.

We also signed a memorandum of understanding with Ericsson and Saab to explore collaboration in areas that as secure communications, supporting Canada's defense modernization.

Finally, we strengthened our leadership team with key hires including Major-General Roch Pelletier, as Regional VP, Global Defense and Security; and Chris Bode, President, Defense and Space. Their expertise will help us build our momentum and pursue new opportunities. Northern modernization and sovereign space capability have the potential to reshape Calian's trajectory, positioning us to participate meaningful in the opportunities ahead.

Few companies contribute across connectivity, cyber and digital, training and health care, and we can.

Our diversity isn't just a feature of the business.

It's a competitive advantage.

On that note, let me say a few words on the federal defense budget that was announced on November 4.

Overall, we view the federal 2025 budget as positive for Calian.

On the defense training side, increased CAF funding and readiness initiatives including new commitments under operations reassurance (inaudible), will benefit Calian's training and simulation business. These initiatives expand Canada's operational readiness commitments abroad, driving demand for enhanced training, readiness exercises, and mission-specific preparation, areas where Calian's expertise and existing CAF contracts position us to deliver.

In health care, the commitment to address workforce shortages across the Canadian Armed Forces, RCMP and CBSA will increase demand for health care and occupational health services. Calian is well positioned to meet this need, supporting the physical and mental readiness of Canada's public safety and defense communities.

In terms of manufacturing, we are among the few companies with proven defense and space manufacturing capability, and we continue to engage with OEMs and the federal government on how best to utilize this capacity.

In summary, as a trusted Canadian operational readiness partner, delivering mission-critical solutions for national security, we are well positioned to benefit from this budget. The creation of the defense investment agency signals further opportunities, though timing of contract awards remains uncertain.

While implementation details are still emerging, we remain cautiously optimistic about the longer-term impact for Calian and will monitor developments closely.

Before I pass it on to Patrick, I just want to provide a brief update on our ITCS segment. After several quarters of reduced profitability, we took material action in Q4 to restore performance.

With the departure of previous management team, we streamlined operations to improve efficiency, reducing resources, refocusing on core markets and products, and renewing our partner ecosystem. Most changes were implemented in Q4, so their impact was limited this period, but we expect meaningful benefits in fiscal '26.

We also realigned the IT business to better reflect our major markets. Tighter integration with our defense solutions and essential industry customers will enable us to bring more differentiated offerings to market and improve execution across the portfolio.

We're already seeing traction in mission-critical applications including our recent contract win with the Ottawa Airport Authority.

I will now turn it over to Patrick to discuss Q4 and year-end consolidated results. Patrick?

Patrick Houston^ Thank you, Kevin. Q4 revenues increased 12% to \$203 million as the combined growth of 18% from Advanced Tech Learning and Health was partially offset by ITCS, which saw revenues down 4%. Acquisitive growth was 6% and was generated

by the contributions of AMS completed this past May. More importantly, we returned to consolidated organic growth.

Organic growth was 6%, driven by Advanced Tech Learning and Health and partially offset by ITCS.

Excluding ITCS, organic growth would have been 9%, highlighting the strength of our core operations, particularly our defense training momentum in Canada, the U.K. and Europe.

We continue to scale our international presence with 48% of Q4 revenues generated outside Canada, our highest quarter ever, both in terms of absolute dollars and as share of total revenue. Q4 gross margin was 34% compared to 35% in the same period last year, reflecting revenue mix. This marks our 14th consecutive quarter above 30% and the fourth highest quarterly margin in the company's history.

Q4 adjusted EBITDA increased to \$24 million, driven by strong performance in our core markets of space, defense and health care. These businesses continue to demonstrate resilience and momentum with adjusted EBITDA up 32% when excluding the lower performance in our ITCS segment.

Importantly, adjusted EBITDA grew 32% versus 18% revenue growth, reflecting improved operational efficiency and expanding margins. Given the ITCS underperformance, adjusted EBITDA margin stood at 11.9%, down from 13.1% for the same period last year.

Now turning to full year results. Revenues in FY '25 were up 4% to \$774 million, a new record for Calian.

It included 6% growth from acquisitions and negative 2% from organic growth. The decrease in organic growth were primarily due to defense cuts in the first half, delays in major space programs and uncertainty surrounding tariffs at the beginning of the year.

However as these challenges began to subside, we posted positive organic growth in the second half.

Adjusted EBITDA declined 15%, primarily reflecting the underperformance in ITCS, as Kevin mentioned earlier, we have addressed this in Q4. Excluding these impacts, adjusted EBITDA increased 9%, underscoring the resilience of our core business. Despite these headwinds, we maintained double-digit adjusted EBITDA margin and extended our track record of profitable growth to 24 consecutive years.

Turning to cash flow and capital deployment.

In FY '25, we generated \$45 million in cash flow from operations compared to \$87 million last year, primarily due to lower EBITDA, higher interest expense and working capital returning to normalized levels.

Importantly, we maintained working capital efficiency below 10%, consistent with last year, reflecting disciplined execution.

Operating free cash flow was \$52 million, reflecting a strong conversion of 67% from adjusted EBITDA.

Turning to capital deployment.

We use our cash and a portion of our credit facility to make CapEx investments of \$11 million and \$39 million in acquisitions including earn-outs.

We paid the earn-out related to our May 2024 acquisition of Mabway, reflecting the strong performance and successful integration of that business.

We also provided a return to shareholders with \$13 million in dividends and \$26 million in share buybacks, this represents the purchase of 563,000 shares or approximately 5% of shares outstanding.

In August, we renewed our NCIB reflecting our view that Calian shares remain undervalued, we intend to continue repurchasing shares on an opportunistic basis in FY '26.

At the same time we are actively evaluating opportunities across defense, space, health care and energy, and we'll continue to prioritize capital towards strategic acquisitions alongside the NCIB.

In early October, we acquired InField Scientific, a small but strategic addition that strengthens our relationship with the Royal Canadian Navy and Lockheed Martin. This expands our presence in the international defense market and positions us for future naval opportunities.

Looking ahead on M&A, our pipeline remains strong.

We are engaged in multiple discussions and remain optimistic about completing several strategic transactions in FY '26.

Let's take a look at the balance sheet and cash availability.

As of September 30, we had drawn \$131 million on our debt facility.

During Q4, we repaid \$10 million on our facility as we didn't close any acquisitions and only repurchased a small amount of shares.

We ended the quarter with net debt of \$85 million, representing a net debt to adjusted EBITDA ratio of 1.1. This is well below our threshold of 2.5x.

At the end of September, we renewed and expanded our debt facility. The new 3-year revolving credit facility totaled \$350 million, comprising a committed \$200 million and an accordion feature of \$150 million. This provides us with ample financial flexibility to support our growth strategy.

As I transition into the CEO role on January 1, I want to share a few thoughts on our future direction. My focus will be on leading the next phase of growth through a refreshed strategic plan to accelerate Calian's evolution as the leading Canadian industry champion, one designed to drive long-term shareholder value.

My vision centers around three objectives: targeting high-growth vertical markets, driving lean and efficient operations and investing with discipline and purpose.

We'll begin by focusing on vertical markets with strong growth momentum, specifically defense, space and essential industries, strengthening and expanding our existing portfolio of products and services, which has already generated a backlog of \$1.4 billion.

To create a leaner, more competitive organization and unlock greater convergence across our markets, starting in FY '26, we will reorganize into two core segments, defense and space led by Chris Pogue and essential industries led by Derek Clark. This streamlined structure will enable us to move faster, seize emerging opportunities and continue delivering solutions our customers truly value.

Our next phase of investment will prioritize divesting noncore assets outside our primary vertical markets while leveraging our track record of strong M&A to acquire businesses that strengthen our position in these core markets. Calian enters this next phase from a position of strength.

We're well positioned to benefit from a significant period of growth and investment by our largest customers, supported by favorable domestic environment for Canadian companies.

To highlight our refreshed strategic direction and introduce our new leadership team, we plan to host an Investor Day in the spring. This event will give investors the opportunity to engage directly with our executives and gain insight into our long-term growth plans and priorities.

On that note, I want to provide some thoughts on our FY '26 outlook.

Looking ahead to FY '26, we're optimistic about recent government commitments to defense spending.

In the interest of visibility and transparency, we will not be issuing guidance as we have in the past years.

Instead, we will provide long-term view of the business and short-term directional growth indicators.

Over the next several years, we are targeting annual revenue growth of 10% to 15%, driven by both a combination of organic growth and strategic acquisitions. This aligns with our historical 12% revenue CAGR over the past decade.

As we pursue this growth, our focus will be on enhancing EBITDA, free cash flow and return on invested capital by prioritizing high-growth verticals, streamlining operations and investing with discipline. Accordingly, we aim for adjusted EBITDA expansion as we deliver top line growth.

For FY '26 specifically, based on our existing business and recent developments, we expect double-digit growth in both revenue and adjusted EBITDA relative to FY '25. This positions us at the low end of our long-term growth target range. This outlook is supported by momentum we've displayed in Q4 in our Defense & Space and Essential Industry segments and the full year contributions from recent AMS and InField Scientific acquisitions. Future M&A we complete would be incremental.

In terms of capital deployment, we expect working capital usage to remain aligned with revenue growth.

We plan on maintaining CapEx in the \$10 million to \$11 million range supporting both core operations and targeting growth initiatives.

Our dividend policy remains unchanged with a payout target of 25% to 30% of operating free cash flow, underscoring our commitment to shareholder value while preserving flexibility for strategic investments.

M&A will continue to be our primary use of cash as we expand our capabilities and market reach.

We'll also evaluate share repurchase on an opportunistic basis, taking market conditions and capital priorities into account.

Before we begin the question period, I want to let everyone know that Kevin will share some parting words afterwards, so please remain online until the end.

And with that, Olivia, I'd like to open the call to questions.

QUESTIONS AND ANSWERS

Operator^ (Operator Instructions) Now first question coming from the line of Doug Taylor with Canaccord.

Doug Taylor^ I appreciate the comments you just made as it relates to double-digit expected revenue growth and adjusted EBITDA in 2026.

I want to just unpack a little bit or talk about some of the factors that build up to that. Maybe I'll start by asking if you could speak a little bit more, give us some more color about the recent antenna contract. Any more specifics you can provide size, timing and contribution to this upcoming year?

Patrick Houston^ Yes.

I think it's a strong win for the team showing kind of continued growth in that segment.

It exceeds \$30 million, Doug, and it's going to be delivered over the next 24 to 28 months sort of.

So I think we'll start to see some contributions this year and then a good portion of that into the next year.

Doug Taylor^ Okay.

Also I mean as it relates to the outlook you've provided, you referenced the dramatic budget passage by the Canadian government recently.

I mean understanding that you've said that you don't expect the -- there's still uncertain timing as it relates to the new contract awards.

Can you talk about what you factored in to that assumption in terms of wins or expansions of your programs of record with the Canadian government and the military?

Patrick Houston^ Yes.

I mean we're very optimistic about just the investment that Canada is making right now.

I think the level of discussions and opportunities is probably the highest it's ever been.

I think we've been cautious about building a lot of that into next year.

I think we -- what we've tried to do is forecast the things we know that are happening, but we're certainly pursuing a lot of opportunities, which I think would be incremental.

I think a lot of these are longer-term ones and much significant opportunities.

So certainly update the market as those come to fruition, but certainly optimistic about the change in Canada and the investment profile.

Kevin Ford^ And Doug, it's Kevin.

I think this is going to be an ongoing dialogue.

We're waiting the defense industrial strategy is now being formulated with regards to how in the market verticals that will be a focus for the federal government this increased defense spend.

So we're looking forward to seeing that.

We've had a lot of discussion with governments.

From my opening comments, though, I think from a Canadian perspective, we are very well positioned to support many different aspects of this new agenda. And now it's a question of timing and pace of that investment to get to the street.

Doug Taylor^ Understood. Perhaps one more for me.

In the comments you made as it relates to the ITCS unit, which is going to form part of the Essential Industries business, I believe, the realignments that you've executed on in the quarter, how should we think about what the benefits are from those changes, what those should look like, how and when you think they manifest? And then just more broadly, your expectations for the ITCS business within that new unit going into this year as it relates to organic performance.

Patrick Houston^ Yes. It was a combination of a lot of things we did in Q4.

One of them was looking at the cost base and making sure it's aligned.

So those measures were taken, and I expect that to be a positive contributor to EBITDA going into next year.

We also realigned some of the assets into our defense portfolio, which I think we'll see renewed momentum.

I think that's going to be a strength for us going into the year, and the remaining of the assets is essential industries, as you said.

And I think it's just been renewing the leadership team.

We had some departures there, but we're confident about the team we have and the outlook, and then we're expecting a better year out of our IT product portfolio going to '26.

Doug Taylor^ Okay.

I'll pass the line.

But before I do, Kevin, I'll wait for your comments at the end, but did want to take the opportunity to congratulate you on what you've built here so far and wish you well on your future endeavors.

Kevin Ford^ Yes. Thanks, Doug. Appreciate that.

I appreciate all your support over the years.

It's been great to get to know you and also appreciate all the dynamic performance comments you've had on Calian over the years.

I think you're one of our few analysts that actually some of what do like.

So I appreciate those comments.

Operator^ Our next question coming from the line of Stephanie Price with CIBC.

Stephanie Price^ Kevin, I'll echo the congrats on the retirement. Maybe we could just focus back in on the ITCS business for just a second.

I know that in the U.S., we're seeing some weaker demand. How should we kind of think about the U.S. ITCS business at this point?

Patrick Houston^ Stephanie, we had -- yes, the first half was soft for sure in our U.S. business.

I think we start to see some good signs towards the end of the year.

We're entering the back -- with a backlog that's significantly higher than it was last year.

So I think some of that momentum we saw towards the end of the year, I think it's setting us up for a better year this year.

So I think early signs are better than this time last year, but we're going to be conservative here and just kind of build back the profitability in ITCS here over several quarters.

Stephanie Price^ Okay. And then you mentioned targeting high-growth vertical markets, and I think there was also a comment around a U.S.-focused subsidiary to target federal defense. Just curious how much U.S. defense work you do right now and how you think about the U.S. opportunity here around the defense business?

Patrick Houston^ It's limited right now.

I think the convergence, I think we're seeing in the U.S. is the combination of our space and defense pedigree.

I think that's probably the place where we can make progress the fastest.

I think we do have some unique propositions and solutions in space, specifically to the defense customer.

So that's where we're focusing right now and we're optimistic that we can make some progress here in the next couple of years.

Stephanie Price^ Great. And then just maybe one final one for me. Just in terms of the announcement you put out a few weeks ago about a special committee looking at potential divestitures in the portfolio review. Just curious about if you have an update on timeline for that and how should -- we should be thinking about what that committee is looking at here?

Patrick Houston^ Yes, lots of activity going on there.

I think that will continue here in the balance of this year and into early '26.

Obviously I think, certainly, motivation to just do the work and come to a conclusion on those things.

So I would say probably early '26 would be the best timing, but we'll probably update that on Q1 in mid-February.

Operator^ Our next question coming from the line of Paul Treiber with RBC Capital Markets.

Paul Treiber^ Just a quick follow-up. Just on the strategic review. You called out a couple of times in noncore areas.

What specifically do you see as noncore going forward?

Patrick Houston^ I think what knit together for Calian is kind of mission-critical solutions for customers that value that.

I think that's been the one if you think defense, space, health care, energy, these are markets that really value what we bring.

We've been doing it for 25 years.

I think it's probably one of our biggest differentiating points that Calian has.

We've earned that for decades.

So I think that's what's core to kind of everything we do at Calian, I think you'll see us knitting that together going forward and really focusing there, putting a lot of investment towards there. And I think you've seen the momentum in that business here in the last -- in the second half of this year.

So I think when we talk about core, that's what we're talking about, lots of solutions within that to those customer sets, but those are our core markets.

Paul Treiber^ Okay. And then your outlook for '26, it's helpful that the high-level outlook.

What you see is the largest potential drivers of upside to your outlook? And then conversely, what are potential risks to your outlook at this point?

Patrick Houston^ I think it's probably the same answer to both. Like, I think the defense spending is always -- I think the trajectory and the momentum is very encouraging.

I think that's positive both in Europe and Canada for us.

I think trying to nail the timing on some of these things is always difficult. They're big opportunities, and they can move and that can have a significant impact.

So I think that's where we're trying to be cautious, but at the same time the team is motivated to go and make some of these opportunities happen.

Paul Treiber^ And then with the Canadian federal budget, there have been earlier this year, procurement delays.

Now with the budget out, the -- how quickly do you see procurement normalizing? Should it be quite rapid in terms of maybe one to two quarters? Or could it take longer than that?

Kevin Ford^ Yes. It's a good question, Paul. From my viewpoint, and I've done this 42 years around defense, this alignment that we're seeing from a budget perspective in the context of investing in defense, obviously very positive. The creation of the Defense Investment Agency, very positive.

So what we're looking at, as I mentioned, is the industrial base and then the timing of the procurement. There's significant expenditure in the short term that's been projected. And now it's just a matter of pushing that through the procurement system.

So from my viewpoint, I think in the next quarter, two quarters max, we'll have a real good understanding of the pace and focus areas for that investment, and we'll be better positioned to answer that question. And we're very excited by the way, about this.

We think this is a transformational opportunity for the Department of National Defense, but also for Canadian industry, and we're a leader in that industry.

So we're very excited about where this is. And we just want to -- a bit more time will give us some of the specifics around the timing around how fast this, again, is going to be hitting the industry with regard to their focus on vertical markets that they want to see us grow in Canada.

Paul Treiber^ Congrats on the retirement, Kevin.

Operator^ Our next question coming from the line of Benoit Poirier with Desjardins.

Benoit Poirier^ Yes.

If we can come back on the key highlights from the federal budget, obviously pretty positive.

We've seen \$20 billion that's going to be spent over the next five years.

So with hiring with -- so quite positive.

But there was also an interesting comment about hiring on RCMP and CBSA officers.

So could you -- given your strong relationship with RCMP, do you see also foresee some opportunity outside the CAF?

Patrick Houston^ Yes.

I think RCMP has been a customer of ours for a long time between health care and IT and other of our solutions.

So I think for sure, I think they're going to have a big growth momentum here in the next couple of years.

I think it's a key part of Canada, the RCMP.

So we're optimistic to kind of work with them in a greater extent in the next couple of years.

Kevin Ford^ And Benoit, I think to Patrick's point, just the increase in size and the scope that we play in supporting RCMP and borders and defense, this will require personnel. And personnel for us is about training.

It's about health care.

So again, I think it's -- I think we're uniquely positioned to help them in that capacity building that's going to be required to meet the new mandates.

Benoit Poirier^ Okay. And just in terms of organic growth for fiscal year '26, it was very nice to see the recovery in Q4.

So given fiscal year '25 has been more challenging, how should we be thinking about organic growth going overall in fiscal year '26.

Could we see something stronger than typical mid-single digit given you might be facing kind of an easy comparison?

Patrick Houston^ I think the guidance or the growth outlook we gave kind of assumes kind of mid-single-digit organic growth with some acquisition contribution from AMS and InField, so that's what our base outlook is right now.

Benoit Poirier^ Okay. Perfect. And M&A, Pat, you mentioned that you have a busy pipeline, obviously well positioned for fiscal year '26. Any more color about the verticals or regions that are most interesting these days on your side?

Patrick Houston^ We're spending a lot of time in defense and space, trying to find some complementary assets there to kind of the capability we have.

I think we've got a lot of momentum there.

So we're trying to say, let's make acquisitions and try to drive the synergy out of them.

So I think that's where we're spending most of our time and we've got some good candidates in the pipeline.

So I'm optimistic about completing some deals here.

Kevin Ford^ And Benoit, as a complement to that, the VENTURES program led by Chris is exciting for us.

It's new.

It's about us now taking a position as a leader in the defense community here in Canada to engage small medium enterprises and the defense agenda with increased spending and giving access to not only capital, but market reach both in Canada and globally.

So I think as we go forward between organic growth, M&A growth and our VENTURES program, again, I think we're uniquely positioned to support what Canada wants to do in the context of increasing our sovereign capability.

Operator^ And there are no further questions in the queue at this time.

I will now turn the call back over to Mr. Kevin Ford for any closing remarks.

Kevin Ford^ Thank you, Olivia.

I appreciate your efforts today. Considering this is my last quarter as CEO, as I reflect on 15 years here with this remarkable company including the past 10 as CEO, I'm filled with gratitude and pride. When I first joined, Calian was a promising Canadian business with ambitious goals.

I vividly remember the opening to TSX in April 2016, and being asked during a live BNN interview, why haven't I heard of you and why aren't you bigger?

Those questions fueled my determination to grow and transform Calian.

One of my primary objectives as CEO was to drive growth.

Since 2015, we have tripled our revenues from \$242 million to \$774 million in '25.

I also said it's a diversified our company by geography, customer base and offerings.

We've evolved from a Canadian-focused business to a global enterprise with close to half of our operations now outside of Canada.

Our revenue shift mix -- our revenue mix shifted from predominantly government clients to a balanced split between the government and commercial customers.

Additionally, we transitioned from a services-based company to a solutions provider with 25% of our revenues now coming from products. This transformation is a testament to the dedication, talent and resilience of our entire team, not the work of one individual.

Today, Calian stands as a market leader in mission-critical solutions with a stronger brand and a diversified presence across geographies, customers and offerings.

I'm deeply grateful to our employees whose commitment and creativity have driven our success. To our customers and partners, I want to thank you for your trust and collaboration. To our shareholders, our analysts, your support has enabled us to pursue bold strategies and deliver sustained growth.

And finally, to our Board of Directors, my thanks for continued support during this transformation.

I specifically want to thank our previous Chair, Ken Loeb and our current Chair, George Weber, for tirelessly working with me and the Board through all the opportunities and challenges we have faced.

I'm forever grateful for your guidance and support.

Building this company to what it is today has been the honor of my career.

I am confident that the foundation we have laid, our values, our culture of innovation and our global reach, our footprint in exciting tailwind markets such as defense and our amazing dedicated team will continue to propel us forward.

I know that the company is in strong hands with Patrick at the helm and the leadership team ready to write the next chapter of our story.

I look forward to watching the company's continued success from a new vantage points and always be cheering you folks on.

So wishing you all the best. And with that, I'll pass it back to Jennifer.

Jennifer McCaughey^ Thank you so much, Kevin. Thank you for everybody for attending our conference call and Patrick and the team look forward to providing you an update on the next quarterly call.

You may now disconnect.

Operator^ This concludes today's conference call. Thank you for your participation.

And you may now disconnect.